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COLUMBIA, SOUTH CAROLINA

May 21, 2008

VIA ELECTRONIC FILING

Mr. Charles Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
Synergy Business Park, Saluda Building
101 Executive Center Drive
Columbia, SC 29210

Bonnie D. Shealy

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COLUMBIA, SOUTH CAROLINA 29202

PH
(803) 778-8900

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**Re: STi Prepaid / Sprint Asset Transfer Application
Our File No. 30323-0002**

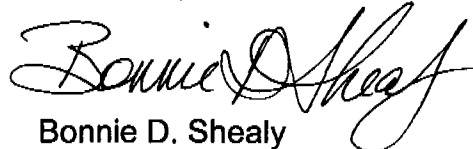
Dear Mr. Terreni:

Enclosed for filing please find the Joint Application of STi Prepaid, LLC and Sprint Communications Company L.P. for authority to transfer certain assets from Sprint to STi Prepaid. By copy of this letter we are providing the same to the Office of Regulatory Staff.

If you have any questions, please have someone on your staff contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.



Bonnie D. Shealy

BDS/tch
Enclosures

cc/enc: Dan F. Arnett, Chief of Staff of ORS (via email & U.S. Mail)
Florence Belser, General Counsel of ORS (via email & U.S. Mail)
Angela F. Collins, Esquire (via email)
John J. Pringle, Jr., Esquire (via email)

STATE OF SOUTH CAROLINA

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

In Re:

COVER SHEET

Joint Application of STi Prepaid, LLC
And Sprint Communications Company L.P. for
Approval to Transfer the Assets of
Sprint Communications Company L.P. to STi
Prepaid, LLC

DOCKET
NUMBER:

(Please type or print)

Submitted by: Bonnie D. ShealySC Bar Number: 11125

Address: Robinson, McFadden & Moore, P.C.
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Other:

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☒ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certificatio	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigator	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input checked="" type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input checked="" type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		

**Before the
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

Docket No. _____

In re:

**Joint Application of STi Prepaid, LLC
And Sprint Communications Company L.P. for
Approval to Transfer the Assets of
Sprint Communications Company L.P. to STi Prepaid, LLC**

JOINT APPLICATION

STi Prepaid, LLC ("STi Prepaid") and Sprint Communications Company L.P. ("Sprint") (the "Joint Applicants") jointly request authority to transfer certain assets to STi Prepaid. This request is made pursuant to SC Code Ann. §§ 58-9-300 and 58-9-310. For the reasons set forth below, the Joint Applicants respectfully request that the Commission approve this Application by June 30, 2008, so that they can expeditiously close the transaction and meet critical business objectives. STi Prepaid and Sprint also request, to the extent applicable or required, that the Commission waive any applicable anti-slamming regulations. In support of their Joint Application, the Applicants respectfully show as follows:

I. THE APPLICANTS

A. STi Prepaid, LLC

STi Prepaid, a Delaware limited liability company, has been granted a Certificate of Convenience and Necessity to provide intrastate resold telecommunications services in South Carolina.¹ STi Prepaid's principal business address is 30-50 Whitestone Expressway, 4th Floor,

¹ Docket No. 2007-75-C, *Application of STi Prepaid, LLC for a Certificate to Provide Interexchange Telecommunications Services and for Alternative Regulation and Joint Application of STi Prepaid, LLC and Dialaround Enterprises Inc. for Approval of Transfer the Assets of Dialaround to STi Prepaid*, Order No. 2007-498 Approving Certificate and Asset Transfer (July 31, 2007).

Flushing, NY 11354. STi Prepaid offers prepaid calling card and dial-around (10-10) services in South Carolina and throughout the United States.

B. Sprint Communications Company L.P.

Sprint is a Delaware limited partnership with its principal place of business at 6200 Sprint Parkway, Overland Park, Kansas 66251. Sprint is a telecommunications carrier duly certificated to provide interexchange telecommunications services in South Carolina.

II. DESIGNATED CONTACTS

Correspondence, orders, or other material concerning this Joint Application should be directed to:

For Sprint:	For STi Prepaid:
John J. Pringle, Jr., Esq. Ellis, Lawhorne & Sims, P.A. 1501 Main Street, 5 th Floor P.O. box 2285 Columbia, SC 29202 (803) 343-1270	Bonnie D. Shealy Robinson, McFadden & Moore, P.C. 1901 Main Street, Suite 1200 Post Office Box 944 Columbia, SC 29202 803-779-8900 (telephone) bshealy@robinsonlaw.com
William R. Atkinson Sprint Nextel 233 Peachtree St., NE Suite 2200 Atlanta, GA 30303 (404) 649-0001	Chérie R. Kiser Cahill Gordon & Reindel LLP 1990 K Street, NW, Suite 950 Washington, D.C. 20006 202-862-8950 (telephone) 202-862-8958 (facsimile) ckiser@cgrdc.com

III. DESCRIPTION OF THE TRANSACTION

On April 7, 2008, Sprint and certain of its affiliates (collectively, "Sellers") entered into an Asset Purchase Agreement ("Agreement") with STi Prepaid pursuant to which Sellers agreed to transfer certain assets to STi Prepaid (the "Transaction"). Specifically, Sellers agreed to transfer all of their assets related to the provision of prepaid calling card services, including

tangible prepaid card inventory, customer agreements and contracts, vendor agreements and contracts, prepaid card point-of-sale and promotional materials, and personal identification numbers (“PINs”) used to make prepaid calling card calls (“Assets”). Consummation of the Transaction is contingent on, among other things, receipt of all necessary regulatory approvals.

The Transaction will not result in any change of control or ownership in either Sprint or STi Prepaid. Both carriers will continue to offer intrastate telecommunications services in South Carolina pursuant to their Commission-issued authorizations. Once the Transaction is consummated, any prepaid calling cards remaining in the market that list Sprint as the provider of the prepaid calling card service will continue to be available for use by consumers. STi Prepaid will continue to provide the underlying telecommunications services associated with any prepaid calling cards previously served by Sprint. Sprint will not remove its prepaid service from its South Carolina state tariff until the later of (i) the twelve (12) month anniversary of the closing date of the Transaction; or (ii) the twelve (12) month anniversary of the date the retailer from which the prepaid card was sold is transitioned from Sprint-marked cards to STi-marked cards.

IV. THE TRANSACTION IS IN THE PUBLIC INTEREST

The proposed Transaction furthers the public interest, convenience, and necessity. The purchase of the Sprint Assets by STi Prepaid will benefit consumers by ensuring that consumers continue to have a wide range of telecommunications choices in the prepaid calling card market. STi Prepaid is a major prepaid card provider and will ensure that consumers currently utilizing Sprint prepaid cards continue to enjoy the high quality and array of features that STi Prepaid’s own customers now enjoy. Further, as an affiliate of Leucadia National Corporation, a publicly

traded company, STi Prepaid will have access to the public capital markets that can provide support for the expansion of the prepaid calling card services currently offered by Sprint.

In addition, the Transaction will not impact consumers currently utilizing Sprint's prepaid calling cards. Any consumers holding prepaid calling cards previously issued will continue to receive high-quality telecommunications services without interruption and without change in rates, terms, or conditions. Customer notice is not required in this case because Sprint does not have a dedicated customer base. Sprint's prepaid calling card services can be used by any person at any time. Sprint has no knowledge of the identity of the persons that utilize its prepaid calling card services, and has no relationship with the person utilizing the prepaid calling card. In this instance, customer notification of this Transaction is unnecessary and would be almost impossible. Accordingly, STi and Sprint respectfully request, to the extent necessary, that the Commission grant a waiver of any applicable anti-slamming regulations that may possibly be violated by the transfer being made without specific from each affected prepaid customer.

As a resource for consumers, Sprint intends to post a notice on its website informing consumers who have purchased a Sprint-branded card that STi Prepaid is now the provider of service, but that Sprint's domestic (intrastate and interstate) prepaid card rates will remain in effect for a period of at least twelve (12) months. Consumers will also be informed that they should dial the toll free customer service number on their cards to obtain information on international prepaid card rates. A user of a Sprint-branded card that calls the toll-free access number and enters the PIN to make a prepaid call will be informed that STi Prepaid and not Sprint is now the service provider. When a consumer calls for customer service associated with a Sprint-branded card, STi Prepaid's customer service representatives will also explain to

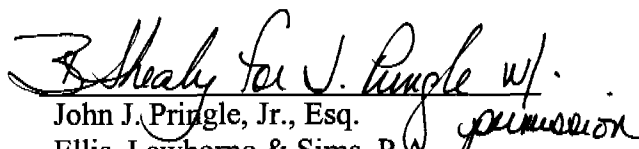
cardholders that the prepaid calling card service is now being provided by STi Prepaid rather than Sprint.

V. CONCLUSION

For the reasons stated above, approving STi Prepaid's purchase of certain Sprint Assets pursuant to the Agreement is in the public interest. Accordingly, the Applicants respectfully ask the Commission to approve this Joint Application, and to the extent required, grant a waiver of any applicable anti-slamming regulations.

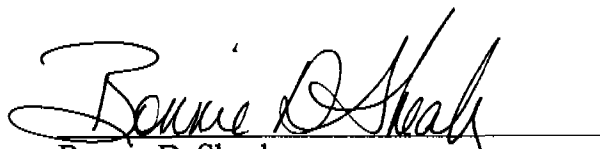
Dated this 21st day of May, 2008.

**SPRINT COMMUNICATIONS COMPANY
L.P.**


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STI PREPAID, LLC


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